GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:5116
ANSWERED ON:29.04.2008
IMPACT OF GLOBALISATION ON SMALL SCALE INDUSTRIES
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether globalisation has an impact on the small and medium enterprises in the country;

(b) if so, the details thereof;

(c) whether the production of these industries is being affected due to import of cheap goods from various countries into the Indian market; and

(d) if so, the efforts made by the Government to remove the problems of these industries?

Answer

MINISTER OF THE STATE IN THE MINSTRY OF MICRO, SMALL & MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a),(b) & (c): Government is conscious about the inherent challenges including, inter alia, greater competition, posed on micro, small and medium enterprises (MSMEs) as a result of globalisation and also opportunities bestowed on them in the form of increased access to modern technology, availability of a variety of raw materials & components at a lower price as a result of imports, wider market segments, impetus to quality, efficiency & opportunity to restructure and diversify.

(d): The Government has put in place several measures to help MSMEs become globally competitive which, inter alia, include assistance for technological upgradation, accessing markets, improved infrastructure, better availability of credit, facilities for training and capacity building of entrepreneurs, etc.